



THIEN LONG GROUP CORPORATION

**INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**



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THIEN LONG GROUP CORPORATION

CORPORATE INFORMATION

Enterprise registration certificate

No. 0301464830 dated 14 March 2005 was initially issued by the Department of Planning and Investment of Ho Chi Minh City and the 20th amendment dated 7 June 2022.

Board of Directors

Mr. Co Gia Tho	Chairman
Ms. Tran Thai Nhu	Member
Ms. Co Ngan Binh	Member
Ms. Co Cam Nguyet	Member
Mr. Tayfun Uner	Member
Mr. Pham Nguyen Tri	Member
Mr. Nguyen Dinh Tam	Member
Mr. Tran Le Nguyen	Member (until 26 April 2022)
Mr. Huynh Van Thien	Member (until 26 April 2022)

Board of Supervision

Ms. Nguyen Thi Bich Nga	Head
Ms. Ta Hong Diep	Member
Ms. Vu Thi Thanh Nga	Member (from 26 April 2022)
Mr. Dinh Duc Hau	Member (until 26 April 2022)

Chief Executive Officer

Ms. Tran Phuong Nga	Chief Executive Officer
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Legal Representative

Mr. Co Gia Tho	Chairman
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Registered office

10th Floor, Sofic Tower, No. 10, Mai Chi Tho Street,
Thu Thiem Ward, Thu Duc City, Ho Chi Minh City, Vietnam

Auditor

PwC (Vietnam) Limited



THIEN LONG GROUP CORPORATION

STATEMENT OF THE CHIEF EXECUTIVE OFFICER

Statement of responsibility of the Chief Executive Officer of the Company in respect of the interim consolidated financial statements

The Chief Executive Officer of Thien Long Group Corporation ("the Company") is responsible for preparing the interim consolidated financial statements of the Company and its subsidiaries (together, "the Group") which give a true and fair view of the interim consolidated financial position of the Group as at 30 June 2022, and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended. In preparing these interim consolidated financial statements, the Chief Executive Officer is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent; and
- Prepare the interim consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Chief Executive Officer is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim consolidated financial position of the Group and enable interim consolidated financial statements to be prepared which comply with the basis of accounting set out in Note 2 to the interim consolidated financial statements. The Chief Executive Officer is also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud or errors.

The legal representative has authorized the Chief Executive Officer of the Company to approve and sign the interim consolidated financial statements for the period ended 30 June 2022 as per Power of Attorney No. 08.21/UQ-TLG dated 1 June 2021.

Approval of the interim consolidated financial statements

I hereby, approve the accompanying interim consolidated financial statements as set out on pages 5 to 45 which give a true and fair view of the interim consolidated financial position of the Group as at 30 June 2022, and of the interim consolidated results of its operations and its interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements.



Tran Phuong Nga
Chief Executive Officer
Authorised by Legal Representative

Ho Chi Minh City, Vietnam
26 August 2022



REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL INFORMATION TO THE SHAREHOLDERS OF THIEN LONG GROUP CORPORATION

We have reviewed the accompanying interim consolidated financial statements of Thien Long Group Corporation ("the Company") and its subsidiaries (together, "the Group") which were prepared on 30 June 2022 and approved by the Chief Executive Officer on 26 August 2022. The interim consolidated financial statements comprise the interim consolidated balance sheet as at 30 June 2022, the interim consolidated income statement and the interim consolidated cash flow statement for the six-month period then ended and explanatory notes to the interim consolidated financial statements including significant accounting policies, as set out on pages 5 to 45.

Responsibility of the Chief Executive Officer

The Chief Executive Officer of the Company is responsible for the preparation and the true and fair presentation of these interim consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on the preparation and presentation of interim consolidated financial statements and for such internal control which the Chief Executive Officer determines necessary to enable the preparation and fair presentation of the interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements 2410 - *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

A review of interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the interim consolidated financial position of the Group as at 30 June 2022, its interim consolidated financial performance and interim consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements.

For and on behalf of PwC (Vietnam) Limited



Mai Viet Hung Tran
Audit Practising Licence No.:
0048-2018-006-1
Authorised signatory

Report reference number: HCM12689
Ho Chi Minh City, 26 August 2022

THIEN LONG GROUP CORPORATION

Form B 01a – DN/HN


INTERIM CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2022

Code	ASSETS	Note	Closing balance VND	Opening balance VND
100	CURRENT ASSETS		2,149,631,605,736	1,867,453,670,532
110	Cash and cash equivalents	3	483,978,904,193	503,425,694,773
111	Cash		311,478,904,193	339,074,817,864
112	Cash equivalents		172,500,000,000	164,350,876,909
120	Short-term investment		310,462,323,288	239,999,139,200
123	Held-to-maturity investments	4(a)	310,462,323,288	239,999,139,200
130	Short-term receivables		598,517,788,085	398,342,077,637
131	Short-term trade receivables	5	574,217,124,547	360,613,054,625
132	Short-term prepayments to suppliers	6	27,380,090,767	30,644,903,658
136	Other short-term receivables	7	6,765,870,750	19,423,980,217
137	Provision for doubtful debts – short-term	8	(9,845,297,979)	(12,339,860,863)
140	Inventories	9	713,573,445,889	693,114,318,297
141	Inventories		723,833,522,524	704,241,213,936
149	Provision for decline in value of inventories		(10,260,076,635)	(11,126,895,639)
150	Other current assets		43,099,144,281	32,572,440,625
151	Short-term prepaid expenses	10(a)	13,603,168,481	13,186,182,712
152	Value added tax ("VAT") deductibles	15(a)	26,125,814,703	15,920,601,434
153	Tax and other receivables from the State	15(a)	3,370,161,097	3,465,656,479
200	LONG-TERM ASSETS		582,651,045,591	578,684,880,396
210	Long-term receivable		7,954,556,280	5,799,200,123
216	Other long-term receivables		7,954,556,280	5,799,200,123
220	Fixed assets		433,137,973,718	445,543,913,696
221	Tangible fixed assets	11(a)	409,225,962,842	425,390,545,912
222	Historical cost		1,052,617,419,133	1,031,042,278,559
223	Accumulated depreciation		(643,391,456,291)	(605,651,732,647)
227	Intangible fixed assets	11(b)	23,912,010,876	20,153,367,784
228	Historical cost		73,564,642,251	68,137,527,411
229	Accumulated amortisation		(49,652,631,375)	(47,984,159,627)
240	Long-term asset in progress		40,282,385,534	19,040,558,603
242	Construction in progress	12	40,282,385,534	19,040,558,603
250	Long-term investments		33,723,584,000	33,621,440,000
253	Investments in other entities	4(b)	37,685,000,000	37,685,000,000
254	Provision for long-term investments	4(b)	(3,961,416,000)	(4,063,560,000)
260	Other long-term assets		67,552,546,059	74,679,767,974
261	Long-term prepaid expenses	10(b)	58,545,940,400	64,581,906,877
262	Deferred income tax assets	20	9,006,605,659	10,097,861,097
270	TOTAL ASSETS		2,732,282,651,327	2,446,138,550,928


The notes on pages 9 to 45 are an integral part of these interim consolidated financial statements.

INTERIM CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2022
(continued)

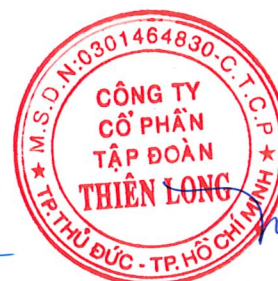
Code	RESOURCES	Note	Closing balance VND	Opening balance VND
300	LIABILITIES		756,581,570,116	620,560,103,651
310	Short-term liabilities		736,886,706,116	578,295,639,397
311	Short-term trade payables	13	261,328,312,450	192,966,654,832
312	Short-term advances from customers	14	6,198,553,781	6,770,431,424
313	Tax and other payables to the State	15(b)	87,833,185,345	23,159,487,331
314	Payables to employees		35,013,732,862	27,023,465,313
315	Short-term accrued expenses	16	93,002,937,181	96,976,213,042
319	Other short-term payables	17	10,439,770,676	49,255,503,644
320	Short-term borrowings	18(a)	230,035,216,001	173,272,413,271
322	Bonus and welfare fund	24	13,034,997,820	8,871,470,540
330	Long-term liabilities		19,694,864,000	42,264,464,254
338	Long-term borrowings	18(b)	3,260,000,000	11,689,230,754
342	Provision for long-term liabilities	19	16,434,864,000	30,575,233,500
400	OWNERS' EQUITY		1,975,701,081,211	1,825,578,447,277
410	Capital and reserves		1,975,701,081,211	1,825,578,447,277
411	Owners' contributed capital	21, 22	777,944,530,000	777,944,530,000
411a	- Ordinary shares with voting rights		777,944,530,000	777,944,530,000
412	Share premium	22	361,633,483,771	361,633,483,771
417	Foreign exchange differences	22	(298,650,848)	(300,043,194)
418	Investment and development fund	22	261,896,462,556	228,691,572,556
421	Undistributed earnings	22	574,525,255,732	457,608,904,144
421a	- Undistributed post-tax profits of previous years		396,733,273,144	345,990,396,887
421b	- Undistributed post-tax profits of current period/year		177,791,982,588	111,618,507,257
440	TOTAL RESOURCES		2,732,282,651,327	2,446,138,550,928



Dao Xuan Nam
Preparer



Nguyen Ngoc Nhon
Chief Accountant






Tran Phuong Nga
Chief Executive Officer
26 August 2022


The notes on pages 9 to 45 are an integral part of these interim consolidated financial statements.

**INTERIM CONSOLIDATED INCOME STATEMENT
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022**

Code	Note	Current period VND	Previous period VND
01	Revenue from sales of goods	1,889,213,856,206	1,441,622,902,279
02	Less deductions	(7,667,117,380)	(13,306,662,927)
10	Net revenue from sales of goods	1,881,546,738,826	1,428,316,239,352
11	Cost of goods sold	(1,057,629,111,327)	(817,551,300,798)
20	Gross profit from sales of goods	823,917,627,499	610,764,938,554
21	Financial income	22,976,772,169	15,228,786,858
22	Financial expenses	(6,144,330,128)	(915,755,904)
23	- Including: Interest expense	(4,000,627,131)	(3,603,506,160)
25	Selling expenses	(315,056,445,993)	(256,409,501,031)
26	General and administration expenses	(151,875,050,150)	(149,195,051,599)
30	Net operating profit	373,818,573,397	219,473,416,878
31	Other income	5,670,987,620	3,076,868,006
32	Other expenses	(1,312,057,546)	(389,474,621)
40	Net other income	4,358,930,074	2,687,393,385
50	Net accounting profit before tax	378,177,503,471	222,160,810,263
51	Corporate income tax ("CIT") - current	(76,920,101,129)	(44,895,467,889)
52	CIT - deferred	(1,091,255,438)	(1,253,765,877)
60	Net profit after tax	300,166,146,904	176,011,576,497
61	Attributable to: Owners of the Company	300,166,146,904	176,011,576,497
70	Basic earnings per share	3,473	2,036
71	Diluted earnings per share	3,473	2,036



Dao Xuan Nam
Preparer



Nguyen Ngoc Nhon
Chief Accountant





Tran Phuong Nga
Chief Executive Officer
26 August 2022

The notes on pages 9 to 45 are an integral part of these interim consolidated financial statements.

**INTERIM CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2022
(Indirect method)**

Code	Note	Current period VND	Previous period VND
CASH FLOWS FROM OPERATING ACTIVITIES			
01		378,177,503,471	222,160,810,263
		Net accounting profit before tax	
		Adjustments for:	
02		42,195,928,762	41,468,147,058
03		(17,443,046,902)	(1,673,656,021)
04	30	(2,891,929,634)	(24,779,157)
05	30,34	(10,593,093,664)	(13,065,473,142)
06	31	4,000,627,131	3,603,506,160
08		393,445,989,164	252,468,555,161
09		(202,894,256,560)	(33,535,724,339)
10		(19,592,308,588)	(82,421,934,348)
11		84,633,512,865	54,598,089,234
12		5,549,297,297	3,205,512,896
14		(3,777,068,590)	(3,543,067,334)
15	15	(28,359,554,134)	(20,627,844,399)
17		(29,165,681,891)	(27,622,730,551)
20		199,839,929,563	142,520,856,320
CASH FLOWS FROM INVESTING ACTIVITIES			
21		(54,070,082,277)	(26,389,982,900)
22		1,521,777,484	1,913,736,916
23		(281,462,323,288)	(337,499,139,200)
24		210,999,139,200	403,500,000,000
27		10,228,955,671	16,803,552,368
30		(112,782,533,210)	58,328,167,184
CASH FLOWS FROM FINANCING ACTIVITIES			
33		305,935,105,011	342,222,377,113
34		(257,601,533,035)	(296,373,161,334)
36		(155,619,167,000)	(77,794,453,000)
40		(107,285,595,024)	(31,945,237,221)
50		(20,228,198,671)	168,903,786,283
60	3	503,425,694,773	371,680,211,939
61		781,408,091	(220,092,230)
70	3	483,978,904,193	540,363,905,992



Dao Xuan Nam
Preparer



Nguyen Ngoc Nhon
Chief Accountant



Tran Phuong Nga
Chief Executive Officer
26 August 2022



**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2021**

1 GENERAL INFORMATION

Thien Long Group Corporation (the "Company") is a joint stock company established in Socialist Republic of Vietnam pursuant to Enterprise registration certificate No. 0301464830 dated 14 March 2005 which was issued by the Department of Planning and Investment of Ho Chi Minh City and the 20th amendment dated 7 June 2022.

The Company's shares were listed on the Ho Chi Minh Stock Exchange ("HOSE") on 26 March 2010 with securities code ("TLG") pursuant to Decision No. 20/QD-SGDHCM dated 2 February 2010 of the HOSE.

Owners of the Company include Thien Long An Thinh Investment Corporation, NWL Cayman Holdings Ltd., a company incorporated in the United Kingdom, Mr.Co Gia Tho and other shareholders. Details of the capital contribution are presented in Note 21(b).

Business sectors of the Company and its subsidiaries (together, "the Group") are manufacturing and trading.

The Group's principal activities are to manufacture and trade stationary products, classroom equipment, plastic teaching instruments, plastic household appliances, stamps printing, tampo (pad) printing, flexo printing and performing screen - printing and pressing on products.

The normal business cycle of the Group is 12 months.

As at end of period and beginning of period, the Group had 7 subsidiaries. Details are as follows:

	Principal activities	Place of incorporation and operation	As at end of period and beginning of period	
			% of ownership	% of voting rights
South Thien Long Manufacturing Trading Company Limited	Manufacturing and trading stationery	Ho Chi Minh City	100%	100%
Thien Long Long Thanh Manufacturing and Trading Company Limited	Manufacturing and trading stationery	Dong Nai Province	100%	100%
Thien Long Global Trading and Service One Member Company Limited	Trading stationery	Ho Chi Minh City	100%	100%
Tan Luc South Trading and Service One Member Company Limited	Trading stationery	Ho Chi Minh City	100%	100%
Tan Luc North Trading and Service One Member Company Limited	Trading stationery	Ha Noi City	100%	100%
Tan Luc Middle Trading and Service One Member Company Limited	Trading stationery	Da Nang City	100%	100%
Flexoffice Pte. Ltd	Trading stationery	Singapore	100%	100%

As at end of period, the Group had 3,176 employees (as at beginning of period: 2,974 employees).

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of in interim consolidated financial statements**

The interim consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements. The interim consolidated financial statements have been prepared under the historical cost convention.

The accompanying interim consolidated financial statements are not intended to present the interim consolidated financial position and interim consolidated results of operations and interim consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam's. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The interim consolidated financial statements in the Vietnamese language are the official interim consolidated statutory financial statements of the Group. The interim consolidated financial statements in the English language have been translated from the Vietnamese version.

2.2 Fiscal year

The Group's fiscal year is from 1 January to 31 December.

The interim consolidated financial statements are prepared for the six-month period from 1 January to 30 June.

2.3 Currency

The interim consolidated financial statements are measured and presented in Vietnamese Dong ("VND").

Additionally, the Group also uses these currencies to raise financial resources and regularly collect these currencies from business operations and savings.

On consolidating, if the currencies used on financial statements of subsidiaries are different from that of the Company, the Company is required to translate those financial statements into the currency used in the Company's consolidated financial statements under the following principles:

- Assets and liabilities of overseas subsidiaries is translated at actual exchange rate at the year end;
- Undistributed earnings or losses are translated based on the translation of income and expenses in the income statement;
- Items of the income statement and the cash flow statement are translated at the average exchange rate of the accounting year; and
- The cumulative amount of exchange differences is presented in a separate component of equity at "Foreign exchange differences" in the consolidated balance sheet.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.4 Exchange rates**

Transactions arising in foreign currencies are translated at exchange rates ruling at the transaction dates. Foreign exchange differences arising from these transactions are recognised in the interim consolidated income statement.

Monetary assets and liabilities denominated in foreign currencies at the interim consolidated balance sheet date are respectively translated at the buying and selling exchange rates at the interim consolidated balance sheet date of the commercial banks where the Group regularly trades. Foreign currencies deposited in banks at the interim consolidated balance sheet date are translated at the buying exchange rate of the commercial banks where the Group opens its foreign currency accounts. Foreign exchange differences arising from these translations are recognised in the interim consolidated income statement.

2.5 Basis of consolidation***Subsidiaries***

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains and losses on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

The financial statements of the Group's subsidiaries are prepared for the same accounting period. If there are differences in end dates, the gap must not exceed 3 months. Adjustments are made to reflect impacts of significant transactions and events occurring between the end dates of the subsidiaries' accounting period and that of the Group's. The length of the reporting period and differences in reporting date must be consistent between periods.

2.6 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at bank, demand deposits and other short-term investments with an original maturity of three months or less.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.7 Receivables**

Receivables represent trade receivables from customers arising from sales of goods, non-trade receivables from others and are stated at cost. Provision for doubtful debts is made for each outstanding amount based on overdue days in payment according to the initial payment commitment (exclusive of the payment rescheduling between parties), or based on the expected loss that may arise. Bad debts are written off when identified as uncollectible.

Receivables are classified into short-term and long-term receivables on the interim consolidated balance sheet based on the remaining period from the interim consolidated balance sheet date to the maturity date.

2.8 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined by the weighted average method and includes all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. In the case of manufactured products, cost includes all direct expenditure and production overheads based on normal levels of operating activity. Net realisable value is the estimated selling price in the normal course of business, less the estimated costs of completion and selling expenses.

The Group applies the perpetual method for inventories.

Provision is made, where necessary, for obsolete, slow-moving and defective inventory items. The difference between the provision of this period and the provision of the previous period are recognised as an increase or decrease of cost of goods sold in the period.

2.9 Financial investments**(a) Held-to-maturity investments**

Held-to-maturity investments are investments which the Group has positive intention and ability to hold until maturity.

Held-to-maturity investments include term deposits for interest earning and other held-to-maturity investments. Those investments are initially accounted for at cost. Subsequently, the Chief Executive Officer reviews all outstanding investments to determine the amount of provision to recognise at the period end.

Provision for diminution in value of held-to-maturity investments is made when there is evidence that part or the whole of the investment is uncollectible in whole or in part.

Held-to-maturity investments are classified into short-term and long-term held-to-maturity investments on the interim consolidated balance sheet based on the remaining period from the interim consolidated balance sheet date to the maturity date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.9 Financial investments (continued)****(b) Investments in other entities**

Investments in other entities are investments in equity instruments of other entities without controlling rights or co-controlling rights, or without significant influence over the investee. These investments are accounted for initially at cost. Subsequently, the Chief Executive Officer reviews all outstanding investments to determine the amount of provision to recognise at the period end.

Provision for investments in other entities is made when there is a diminution in value of the investments at period end, when the investees make losses, except when the loss is anticipated by the Chief Executive Officer before the date of investment.

Changes in the provision balance during the accounting period are recorded as an increase or decrease in financial expenses. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2.10 Fixed assets*Tangible and intangible fixed assets*

Fixed assets are stated at historical cost less accumulated depreciation and amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets bringing them to their suitable condition for their intended use. Expenditure incurred subsequently which has resulted in an increase in the future economic benefits expected to be obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, they are charged to the interim consolidated income statement when incurred in the period.

Depreciation and amortisation

Fixed assets are depreciated and amortized using the straight-line method so as to write off the historical cost of the fixed assets over their estimated useful lives. The estimated useful lives of each asset class are as follows:

Plant, buildings and structures	3 - 25 years
Machinery and equipment	3 - 15 years
Motor vehicles	6 - 8 years
Office equipment	2 - 7 years
Molds and other fixed assets	3 - 5 years
Computer software	3 - 10 years
Copyrights, patents	3 years

Land use rights are comprised of land use rights with an indefinite useful life, recorded at historical cost and are not amortised.

Disposals

Gains or losses on disposals are determined by comparing net disposal proceeds with the carrying amount of the fixed assets and are recognised as income or expense in the interim consolidated income statement.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.10 Fixed assets (continued)***Construction in progress*

Construction in progress represents the cost of assets in the course of construction for production, rental or administrative purposes, or for purposes not yet determined, including construction costs; costs of tools and equipment; project management expenditures; construction consulting expenditures; and capitalised borrowing costs for qualifying assets in accordance with the Group's accounting policies. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended use.

2.11 Operating leases

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the interim consolidated income statement on a straight-line basis over the term of the lease.

2.12 Prepaid expenses

Prepaid expenses include short-term and long-term prepayments on the interim consolidated balance sheet. Prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

Prepayments for land rental contracts which are not recorded as intangible assets as described in 2.10 are recorded as prepaid expenses, and allocated using the straight-line basis over the prepaid lease term.

2.13 Payables

Classifications of payables are based on their nature as follows:

- Trade accounts payable are trade payables arising from purchase of goods and services; and
- Other payables are non-trade payables, and payables not relating to purchases of goods and services.

Payables are classified as short-term and long-term payables on the interim consolidated balance sheet based on remaining period from the interim consolidated balance sheet date to the maturity date.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.14 Borrowings and borrowing costs**

Borrowings include borrowings from banks.

Borrowings are classified into short-term and long-term borrowings based on their remaining terms from the interim consolidated balance sheet date to the maturity date.

Borrowing costs are recognised in the interim consolidated income statement when incurred.

2.15 Accrued expenses

Accrued expenses include liabilities for goods and services received in the period but not yet paid for due to pending invoice or insufficient records and documents. Accrued expenses are recorded as expenses in the reporting period.

2.16 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provision is not recognised for future operating losses.

Provisions are measured at the expenditures expected to be required to settle the obligation. If the time value of money is material, provision will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a financial expense. Changes in the provision balance during the accounting period are recorded as an increase or decrease in operating expenses.

2.17 Provision for severance allowance

In accordance with Vietnamese labour laws, employees of the Group who have worked regularly for full 12 months or longer, are entitled to a severance allowance. The working period used for the calculation of severance allowance is the period during which the employee actually works for the Group less the period during which the employee participates in the unemployment insurance scheme in accordance with the labour regulations and the working period for which the employee has received severance allowance from the Group.

The severance allowance is accrued at the end of the reporting period on the basis that each employee is entitled to half of an average monthly salary for each working year. The average monthly salary used for calculating the severance allowance is the employee contract's average salary for the six-month period prior to the interim consolidated balance sheet date.

This allowance will be paid as a lump sum when employees terminate their labour contracts in accordance with current regulations.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.18 Capital and reserves**

Owners' capital is recorded according to the actual amounts contributed and is recorded according to par value of the share.

Share premium is the difference between the par value and the issue price of shares; and the difference between the repurchase price and re-issuing price of treasury shares.

Treasury shares bought before the effective date of the Securities Law (ie. 1 January 2021) are shares issued by the Company and bought back by itself, but these are not cancelled and may be re-issued subsequently in accordance with the Law on Securities.

Treasury shares bought after 1 January 2021 will be cancelled and adjusted to reduce equity.

Undistributed earnings record the Group's accumulated results after CIT at the reporting date.

2.19 Appropriation of profit

The Group's dividends are recognised as a liability in the Group's interim consolidated financial statements or upon the dividend declaration of the Board of Directors which is approved by the General Meeting of Shareholders.

Profit after CIT could be distributed to shareholders after approval at the General Meeting of Shareholders and after appropriation to other funds in accordance with the Group's charter and Vietnamese regulations.

The Group's funds are as below:

(a) Investment and development fund

Investment and development fund is appropriated from the Group's profit after CIT and approved by shareholders at the General Meeting of Shareholders. This fund is used for expanding operation or for deepening investment of the Group.

(b) Bonus and welfare fund

Bonus and welfare fund is appropriated from the Group's profit after CIT and subject to shareholders' approval at the General Meeting of Shareholders. This fund is presented as a liability on the interim consolidated balance sheet and used for rewards, material incentives, bringing common benefits and raising employees' welfare.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.20 Revenue recognition****(a) Revenue from sales of goods**

Revenue from sale of goods is recognised in the interim consolidated income statement when all five (5) of the following conditions are satisfied:

- The Group has transferred to the buyer the significant risks and rewards of ownership of the goods;
- The Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

No revenue is recognised if there are significant uncertainties regarding recovery of the consideration due or the possible return of goods.

Revenue is recognised in accordance with the “substance over form” principle and allocated to each sales obligation. In cases where the Group gives promotional goods to customers associated with their purchases, the Group allocates the total considerations received between goods sold and promotional goods. The cost of promotional goods is recognised as cost of goods sold in the interim consolidated income statement.

(b) Interest income

Interest income is recognised on an earned basis.

(c) Dividend income

Income from dividends is recognised when the Group has established receiving rights from investees.

2.21 Sales deductions

Sales deductions include trade discounts, sales returns and allowances. Sales deductions incurred in the same period of the related revenue from sales of products, goods are recorded as a deduction from the revenue of that period.

Sales deductions for sales of products, goods which are sold in the period but are incurred after the interim consolidated balance sheet date but before the issuance of the interim consolidated financial statements are recorded as a deduction from the revenue of the period.

2.22 Cost of goods sold

Cost of goods sold are cost of finished goods, merchandises and materials sold during the period, and recorded on the basis of matching with revenue and on a prudence basis.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.23 Financial expenses**

Financial expenses are expenses incurred in the period for financial activities including expenses or losses relating to financial investment activities, provision for diminution in value of investments in other entities, borrowing cost, losses from foreign exchange differences and payment discounts.

2.24 Selling expenses

Selling expenses represent expenses that are incurred in the process of selling products and goods.

2.25 General and administration expenses

General and administration expenses represent expenses that are incurred for administrative purposes.

2.26 Current and deferred income tax

Income tax include all income tax which are based on taxable profits. Income tax expense comprises current tax expense and deferred tax expense.

Current income tax is the amount of income taxes payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred tax should be recognised as an income or an expense and included in the profit or loss of the period, except to the extent that the tax arises from a transaction or event which is recognised, in the same or a different period, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the interim consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the financial year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the interim consolidated balance sheet date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

2.27 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Group, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Group. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Group that gives them significant influence over the Group, key management personnel, including the Chief Executive Officer of the Group and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering the related party relationship, the Group considers the substance of the relationships not merely the legal form.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**2.28 Segment reporting**

A segment is a component which can be separated by the Group engaged in providing products or services (“business segment”), or providing products or services within a particular economic environment (“geographical segment”). Each segment is subject to risks and returns that are different from those of other segments. A reportable segment is the Group’s business segment or the Group’s geographical segment.

Segment reporting is prepared and presented in accordance with accounting policies applied to the preparation and presentation of the Group’s interim consolidated financial statements in order to help users of interim consolidated financial statements understand and evaluate the Group’s operations in a comprehensive way.

2.29 Critical accounting estimates

The preparation of interim consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Corporate Accounting System and applicable regulations on preparation and presentation of interim consolidated financial statements requires the Chief Executive Officer to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the interim consolidated financial statements and the reported amounts of revenues and expenses during the period.

The areas involving significant estimates and assumptions are as follows:

- Provision for decline in value of inventories (Note 9);
- Estimated useful life of fixed assets (Note 11); and
- Estimation of provision for long-term liabilities (Note 19)

Such estimates and assumptions are continually evaluated. They are based on historical experiences and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

3 CASH AND CASH EQUIVALENTS

	Closing balance VND	Opening balance VND
Cash on hand	439,819,620	1,123,648,210
Cash at bank	311,039,084,573	337,951,169,654
Cash equivalents (*)	172,500,000,000	164,350,876,909
	<u>483,978,904,193</u>	<u>503,425,694,773</u>

(*) Cash equivalents represent bank deposits with original maturities of 3 months or less and earn interest at fixed interest rates in Vietnamese Dong.

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4 FINANCIAL INVESTMENTS

(a) Held- to-maturity investments

	Closing balance		Opening balance	
	Cost VND	Book value VND	Cost VND	Book value VND
Term deposits (*)	310,462,323,288	310,462,323,288	220,000,000,000	220,000,000,000
Bonds	-	-	19,999,139,200	19,999,139,200
	<u>310,462,323,288</u>	<u>310,462,323,288</u>	<u>239,999,139,200</u>	<u>239,999,139,200</u>

(*) Representing term deposits at banks with maturity from 6 months to 12 months and earning interest at fixed interest rates in Vietnamese Dong.

(b) Investments in other entities

	Closing balance				Opening balance			
	Cost value VND	Fair value VND	Provision VND	Ownership percentage %	Cost value VND	Fair value VND	Provision VND	Ownership percentage %
Kinh Do Land Corporation	25,000,000,000	(*)	-	2.00	25,000,000,000	(*)	-	2.00
Saigon Securities Investment Fund A2	3,565,000,000	(*)	(3,565,000,000)	-	3,565,000,000	(*)	(3,565,000,000)	-
Brilliant Chip Joint Stock Company	1,520,000,000	(*)	(396,416,000)	1.89	1,520,000,000	(*)	(498,560,000)	1.89
Printing No.7 Joint Stock Company	600,000,000	(*)	-	2.50	600,000,000	(*)	-	2.50
Soundio Technology Joint Stock Company	7,000,000,000	(*)	-	-	7,000,000,000	(*)	-	-
	<u>37,685,000,000</u>		<u>(3,961,416,000)</u>		<u>37,685,000,000</u>		<u>(4,063,560,000)</u>	

(*) As at end of period and beginning of period, the Group has not determined fair value of these investments to disclose on the interim consolidated financial statements because they do not have listed prices. The fair value of such investments may be different from their book value.

5 SHORT-TERM TRADE ACCOUNTS RECEIVABLE

	Closing balance VND	Opening balance VND
SQI Group Int'l. Corp.	46,513,488,330	34,137,856,436
Others	527,703,636,217	326,475,198,189
	<u>574,217,124,547</u>	<u>360,613,054,625</u>

As at end of period and beginning of period, short-term receivables from customers that were past due are VND75,198,479,401 and VND34,173,847,285, respectively (Note 8).

As at end of period and beginning of period, short-term trade receivables of VND50,000,000,000 were pledged with banks as collateral or mortgaged assets for short-term borrowings granted to the Group (Note 18).

6 SHORT-TERM PREPAYMENTS TO SUPPLIERS

	Closing balance VND	Opening balance VND
SQC Construction Trading Joint Stock Company	6,210,000,000	-
Sai Gon VRG Investment Corporation	3,822,000,000	3,822,000,000
Others	17,348,090,767	26,822,903,658
	<u>27,380,090,767</u>	<u>30,644,903,658</u>

7 OTHER SHORT-TERM RECEIVABLES

	Closing balance		Opening balance	
	Book value VND	Provision VND	Book value VND	Provision VND
Interest receivables	2,804,147,113	-	2,481,407,557	-
Advances to employees	3,448,530,841	-	1,413,195,700	-
Deposits	46,400,000	-	10,455,618,882	-
Others	466,792,796	-	5,073,758,078	-
	<u>6,765,870,750</u>	<u>-</u>	<u>19,423,980,217</u>	<u>-</u>

As at end of period and beginning of period, there was no balance of other short-term receivables that was past due or not past due but doubtful.

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8 PROVISION FOR DOUBTFUL DEBTS

	Closing balance			Opening balance		
	Cost VND	Recoverable amount VND	Provision VND	Cost VND	Recoverable amount VND	Provision VND
Like Link Co., Ltd.	12,148,743,633	8,944,157,630	(3,204,586,003)	9,359,076,827	4,574,451,528	(4,784,625,299)
MM Mega Market (Vietnam) Company Limited	1,753,989,596	-	(1,753,989,596)	1,753,989,596	-	(1,753,989,596)
Nguyen Hue Bookstore	12,356,791,086	11,726,865,839	(629,925,247)	9,473,824,639	8,008,006,145	(1,465,818,494)
Xuan Thu Bookstore	10,630,504,092	10,172,671,470	(457,832,622)	7,238,819,941	5,985,377,400	(1,253,442,541)
Apax English Corporation	816,925,065	-	(816,925,065)	816,925,065	-	(816,925,065)
Nhan Van Bookstore	377,333,800	96,687,580	(280,646,220)	413,815,724	133,130,857	(280,684,867)
Others	37,114,192,129	34,412,798,903	(2,701,393,226)	5,117,395,493	3,133,020,492	(1,984,375,001)
	<u>75,198,479,401</u>	<u>65,353,181,422</u>	<u>(9,845,297,979)</u>	<u>34,173,847,285</u>	<u>21,833,986,422</u>	<u>(12,339,860,863)</u>

9 INVENTORIES

	Closing balance		Opening balance	
	Cost VND	Provision VND	Cost VND	Provision VND
Goods in transit	62,444,547,343	-	62,834,069,879	-
Raw materials	302,727,642,407	(2,421,136,406)	262,457,334,508	(2,068,850,143)
Tools and supplies	6,886,997,369	(1,197,009,181)	5,879,797,881	(1,012,501,567)
Work in progress	54,269,773,338	(1,998,499,842)	60,399,405,581	(2,122,979,626)
Finished goods	141,663,714,863	(1,947,651,272)	139,536,304,257	(2,065,870,323)
Merchandise	155,840,847,204	(2,695,779,934)	173,134,301,830	(3,856,693,980)
	<u>723,833,522,524</u>	<u>(10,260,076,635)</u>	<u>704,241,213,936</u>	<u>(11,126,895,639)</u>

At end of period and beginning of period, a portion of inventory was pledged as mortgaged assets for short-term borrowings from banks (Note 18).

Movements in the provision for decline in value of inventories during the period are as follows:

	Current period VND	Previous period VND
Opening balance	(11,126,895,639)	(24,601,987,461)
Addition (Note 29)	(3,934,091,961)	(8,115,976,365)
Reversal (Note 29)	4,800,910,965	7,783,622,891
Closing balance	<u>(10,260,076,635)</u>	<u>(24,934,340,935)</u>

10 PREPAID EXPENSES**(a) Short-term**

	Closing balance VND	Opening balance VND
Advertising and marketing expenses	7,986,638,179	8,820,633,333
Health and asset insurance	2,448,679,703	1,348,016,385
SAP maintenance expense	926,076,972	-
Tools and supplies	40,652,285	55,239,933
Others	2,201,121,342	2,962,293,061
	<u>13,603,168,481</u>	<u>13,186,182,712</u>

(b) Long-term

	Closing balance VND	Opening balance VND
Land rental (*)	10,074,403,231	10,239,107,371
Expenses for site clearance, restoration and return (**)	9,811,757,572	9,972,606,058
Tools and supplies	26,983,302,995	33,992,276,017
Others	11,676,476,602	10,377,917,431
	<u>58,545,940,400</u>	<u>64,581,906,877</u>

(*) Representing balance of prepaid land rental which has not been allocated under the land lease contract as presented in Note 2.12.

(**) The Group has offices and factories built on leased land. Under the Land Lease Agreement, the Group has an obligation to restore and return the premises to the original state at the end of the lease term. Accordingly, the Group has estimated its liability (Note 20) and amortised it to expenses over the remaining land lease term.

Movements in prepaid expenses during the period are as follows:

	Current period VND	Previous period VND
Opening balance	77,768,089,589	93,010,608,581
Increase	34,629,469,799	27,642,635,023
Transferred from construction in progress (Note 12)	529,456,067	775,096,090
Transferred from inventories	1,591,760,021	4,424,493,940
Transferred from fixed assets	24,700,000	
Allocation	(42,302,757,530)	(35,441,956,324)
Disposals	(91,609,065)	-
Closing balance	<u>72,149,108,881</u>	<u>90,410,877,310</u>

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11 FIXED ASSETS

(a) Tangible fixed assets

	Plant, buildings and structures VND	Machinery and equipment VND	Motor vehicles VND	Office equipment VND	Others VND	Total VND
Historical cost						
Opening balance	222,189,727,599	565,729,149,941	48,524,499,195	18,068,118,109	176,530,783,715	1,031,042,278,559
New purchases	-	3,290,330,138	95,000,000	1,371,563,342	3,064,617,041	7,821,510,521
Transfers from construction in progress	551,514,100	6,613,037,352	-	-	9,664,287,228	16,828,838,680
Reclassification	-	-	-	(24,700,000)	-	(24,700,000)
Disposals	-	(2,461,413,037)	(35,238,095)	(358,203,495)	(195,654,000)	(3,050,508,627)
Closing balance	222,741,241,699	573,171,104,394	48,584,261,100	19,056,777,956	189,064,033,984	1,052,617,419,133
Accumulated depreciation						
Opening balance	88,456,572,476	327,607,067,934	36,067,655,164	16,644,893,950	136,875,543,123	605,651,732,647
Charge for the period	4,948,975,745	23,539,963,160	2,675,490,320	492,489,018	8,826,924,095	40,483,842,338
Disposals	-	(1,659,190,835)	(35,238,095)	(352,203,495)	(697,486,269)	(2,744,118,694)
Closing balance	93,405,548,221	349,487,840,259	38,707,907,389	16,785,179,473	145,004,980,949	643,391,456,291
Net book value						
Opening balance	133,733,155,123	238,122,082,007	12,456,844,031	1,423,224,159	39,655,240,592	425,390,545,912
Closing balance	129,335,693,478	223,683,264,135	9,876,353,711	2,271,598,483	44,059,053,035	409,225,962,842

As at end of period, the historical cost of tangible assets of the Group which were fully depreciated but still in use was VND321,220,119,093 (as at beginning of period: VND299,176,450,140).

As at end of period, tangible fixed assets of the Group with a carrying value of VND46,816,080,991 (as at beginning of period: VND19,982,859,915) were used as mortgaged assets for short-term and long-term borrowings from banks (Note 18).

11 FIXED ASSETS (continued)

(b) Intangible fixed assets

	Land use rights VND	Software VND	Copyright, patents VND	Total VND
Historical cost				
Opening balance	16,047,625,000	51,722,902,411	367,000,000	68,137,527,411
New purchases	-	6,151,897,840	-	6,151,897,840
Disposals	-	(724,783,000)	-	(724,783,000)
Closing balance	16,047,625,000	57,150,017,251	367,000,000	73,564,642,251
Accumulated amortisation				
Opening balance	1,175,864,496	46,441,295,131	367,000,000	47,984,159,627
Charge for the period	-	2,393,254,748	-	2,393,254,748
Disposals	-	(724,783,000)	-	(724,783,000)
Closing balance	1,175,864,496	48,109,766,879	367,000,000	49,652,631,375
Net book value				
Opening balance	14,871,760,504	5,281,607,280	-	20,153,367,784
Closing balance	14,871,760,504	9,040,250,372	-	23,912,010,876

As at end of period, the historical cost of intangible assets of the Group which were fully amortised but still in use was VND43,960,215,097 (as at beginning of period: VND14,397,384,677).

12 CONSTRUCTION IN PROGRESS

	Closing balance VND	Opening balance VND
Construction in progress	20,777,250,000	1,533,200,000
Equipment under installation	13,313,465,061	12,089,666,057
Moulds under installation	6,191,670,473	5,370,720,046
Others	-	46,972,500
	40,282,385,534	19,040,558,603

12 CONSTRUCTION IN PROGRESS (continued)

Movements in construction in progress during the period are as follows:

	Current period VND	Previous period VND
Opening balance	19,040,558,603	13,434,075,449
Increase in the period	38,600,121,678	17,753,164,916
Transfers to fixed assets (Note 11)	(16,828,838,680)	(13,695,356,877)
Transfers to prepaid expenses (Note 10)	(529,456,067)	(775,096,090)
Closing balance	<u>40,282,385,534</u>	<u>16,716,787,398</u>

13 SHORT-TERM TRADE ACCOUNTS PAYABLE

	<u>Closing balance</u>		<u>Opening balance</u>	
	Value VND	Able-to-pay amount VND	Value VND	Able-to-pay amount VND
Teibow Co., Ltd.	11,443,855,920	11,443,855,920	-	-
Mcaide Enterprise Co., Ltd.	6,915,525,752	6,915,525,752	10,549,216,864	10,549,216,864
Others	242,968,930,778	242,968,930,778	182,417,437,968	182,417,437,968
	<u>261,328,312,450</u>	<u>261,328,312,450</u>	<u>192,966,654,832</u>	<u>192,966,654,832</u>

As at end of period and beginning of period, there was no balance of short-term trade accounts payable that was past due.

14 SHORT-TERM ADVANCES FROM CUSTOMERS

	Closing balance VND	Opening balance VND
Crayola LLC.	2,169,364,041	3,134,818,182
Good Neighbor Global Partnership CE	672,116,644	1,131,795,582
Others	3,357,073,096	2,503,817,660
	<u>6,198,553,781</u>	<u>6,770,431,424</u>

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15 TAX AND OTHER PAYABLES/RECEIVABLES TO THE STATE

Movements in tax and other payables/receivables to the State are as follows:

	Opening balance VND	Receivable/payable during the period VND	Payment during the period VND	Reclassification	Closing balance VND
a) Tax receivables					
VAT deductibles	15,920,601,434	10,205,213,269	-	-	26,125,814,703
CIT - current	3,465,656,479	-	-	(95,495,382)	3,370,161,097
	<u>19,386,257,913</u>	<u>10,205,213,269</u>	<u>-</u>	<u>(95,495,382)</u>	<u>29,495,975,800</u>
b) Tax payables					
VAT	8,093,486,409	75,905,024,965	(61,045,164,829)	-	22,953,346,545
CIT - current	13,482,897,623	76,920,101,129	(28,359,554,134)	(95,495,382)	61,947,949,236
Personal income tax	1,402,758,298	23,162,000,265	(21,818,576,912)	-	2,746,181,651
Import – export duties	-	7,321,966,934	(7,300,967,848)	-	20,999,086
Others	180,345,001	1,725,623,943	(1,741,260,117)	-	164,708,827
	<u>23,159,487,331</u>	<u>185,034,717,236</u>	<u>(120,265,523,840)</u>	<u>(95,495,382)</u>	<u>87,833,185,345</u>

16 SHORT-TERM ACCRUED EXPENSES

	Closing balance VND	Opening balance VND
13th & 14th month salary and performance salary	53,779,793,886	69,520,694,385
Advertising and marketing	25,593,319,753	16,322,991,207
Interest expense	560,532,557	336,974,016
Others	13,069,290,985	10,795,553,434
	<u>93,002,937,181</u>	<u>96,976,213,042</u>

17 OTHER SHORT-TERM PAYABLES

	Closing balance VND	Opening balance VND
Remuneration of the Board of Directors and Board of Supervisors	4,424,304,000	4,400,287,355
Union fees	2,518,854,590	1,109,882,486
Dividend payable	11,165,500	38,938,653,000
Others	3,485,446,586	4,806,680,803
	<u>10,439,770,676</u>	<u>49,255,503,644</u>

As at end of period and beginning of period, there was no balance of other short-term payables that was past due.

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18 BORROWINGS

(a) Short-term

	Opening balance		During the period		Closing balance	
	Amount VND	Able-to-pay amount VND	Increase VND	Decrease VND	Amount VND	Able-to-pay amount VND
Short-term						
Joint Stock Commercial Bank for Investment and Development of Vietnam - Western Saigon Branch (i)	-	-	116,643,853,575	(58,725,886,441)	57,917,967,134	57,917,967,134
Vietnam Joint Stock Commercial Bank for Industry and Trade - Western Saigon Branch (ii)	-	-	10,091,142,485	(10,091,142,485)	-	-
HSBC Bank (Vietnam) Limited (iii)	102,231,491,851	102,231,491,851	159,036,498,439	(138,277,038,259)	122,990,952,031	122,990,952,031
United Overseas Bank (Vietnam) Limited (iv)	12,104,224,800	12,104,224,800	-	-	12,104,224,800	12,104,224,800
The Siam Commercial Bank Public Company Limited - Ho Chi Minh Branch (v)	42,078,235,078	42,078,235,078	20,163,610,512	(42,078,235,078)	20,163,610,512	20,163,610,512
	<u>156,413,951,729</u>	<u>156,413,951,729</u>	<u>305,935,105,011</u>	<u>(249,172,302,263)</u>	<u>213,176,754,477</u>	<u>213,176,754,477</u>
Current portion of long-term borrowings						
HSBC Bank (Vietnam) Limited (*)	16,858,461,542	16,858,461,542	8,429,230,754	(8,429,230,772)	16,858,461,524	16,858,461,524
	<u>173,272,413,271</u>	<u>173,272,413,271</u>	<u>314,364,335,765</u>	<u>(257,601,533,035)</u>	<u>230,035,216,001</u>	<u>230,035,216,001</u>

(b) Long-term

	Opening balance		During the period		Closing balance	
	Amount VND	Able-to-pay amount VND	Increase VND	Decrease VND	Amount VND	Able-to-pay amount VND
HSBC Bank (Vietnam) Limited (*) (vi)	11,689,230,754	11,689,230,754	-	(8,429,230,754)	3,260,000,000	3,260,000,000
	<u>11,689,230,754</u>	<u>11,689,230,754</u>	<u>-</u>	<u>(8,429,230,754)</u>	<u>3,260,000,000</u>	<u>3,260,000,000</u>



18 BORROWINGS (continued)

(*) Details of the long-term bank loan are as follows:

	Closing balance VND	Opening balance VND
Original debt balance	11,689,230,754	28,547,692,296
Current portion	(8,429,230,754)	(16,858,461,542)
	<u>3,260,000,000</u>	<u>11,689,230,754</u>

- (i) Representing short-term loans from Joint Stock Commercial Bank for Investment and Development of Vietnam - Western Saigon Branch for the purpose of supplementing working capital. The loans have terms and interest rates specified in each disbursement. The Group used machineries and equipment as collateral assets for these loans (Note 11(a)).
- (ii) Representing short-term loans from Vietnam Joint Stock Commercial Bank for Industry and Trade - Western Saigon Branch for the purpose of supplementing working capital. The loans have terms and interest rates specified in each disbursement. The Group used inventories as collateral assets for these loans (Note 9).
- (iii) Representing short-term loans from HSBC Bank (Vietnam) Limited for the purpose of supplementing working capital. The loans have terms and interest rates specified in each disbursement. The Group used receivables, inventories, buildings and structures as collateral assets for these loans (Note 5, 9 and 11 (a)).
- (iv) Representing short-term loans from United Oversea Bank (Vietnam) Limited for the purpose of supplementing working capital. The loans have terms and interest rates specified in each disbursement. The Group used inventories as collateral assets for these loans (Note 9).
- (v) Representing short-term loans from The Siam Commercial Bank Public Company Limited – Ho Chi Minh Branch for the purpose of supplementing working capital. The loans have terms and interest rates specified in each disbursement. The Group used receivables as collateral assets for these loans (Note 5).
- (vi) Representing long-term loans from HSBC Bank (Vietnam) Limited for the purpose of purchasing and installing fixed assets. The loans have terms and interest rates specified in each disbursement. The Group used machineries and equipment as collateral assets for these loans (Note 11(a)).

19 PROVISION FOR LONG-TERM LIABILITIES

	Closing balance VND	Opening balance VND
Provision for severance allowance	5,818,864,000	19,959,233,500
Provisions for site clearance, restoration and return (Note 10(b))	10,616,000,000	10,616,000,000
	<u>16,434,864,000</u>	<u>30,575,233,500</u>

20 DEFERRED INCOME TAX

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority. Details are as follows:

	Closing balance VND	Opening balance VND
Deferred tax assets to be recovered	<u>9,006,605,659</u>	<u>10,097,861,097</u>

The gross movements in deferred income tax, without taking into consideration the offsetting of balances within the same tax jurisdiction, were as follows:

	Current period VND	Previous period VND
Beginning of period	10,097,861,097	28,949,024,192
Interim consolidated income statement charge (Note 36)	<u>(1,091,255,438)</u>	<u>(18,851,163,095)</u>
End of period	<u>9,006,605,659</u>	<u>10,097,861,097</u>

Details of deferred tax assets

	Closing balance VND	Opening balance VND
Unrealised profit of internal transactions	4,212,277,541	2,613,099,824
Temporary difference of provisions	3,770,347,316	7,205,645,277
Tax losses not yet utilised (*)	1,392,513,111	-
Temporary difference of accrued expenses	20,000,000	216,496,958
Unrealised exchange rate differences of cash and receivables denominated in foreign currency	<u>(388,532,309)</u>	<u>62,619,038</u>
	<u>9,006,605,659</u>	<u>10,097,861,097</u>

20 DEFERRED INCOME TAX (continued)

Details of deferred tax assets (continued)

The Group used a tax rate of 20% in year 2022 (2021: 20%) to determine deferred income tax assets and deferred income tax liabilities.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

(*) The Group's tax losses can be carried forward to offset against future taxable profit for a maximum period of no more than five consecutive years from the year right after the year in which the loss was incurred. The actual amount of tax losses that can be carried forward is subject to review and approval of the tax authorities and may be different from the figures presented. The estimated amount of tax losses available for offset against the Group's future taxable profit are:

Year of tax loss	Status of tax authorities' review	Loss incurred VND	Loss utilised VND	Loss carried forward VND
2018	Outstanding	461,063,061	-	461,063,061
2019	Outstanding	2,695,902,850	-	2,695,902,850
2020	Finalised	10,895,749,855	-	10,895,749,855
2020	Outstanding	33,955,601,165	(18,731,332,452)	15,224,268,713
2021	Outstanding	21,997,117,688	(6,886,807)	21,990,230,881
2022	Outstanding	12,126,154,192	-	12,126,154,192
		<u>82,131,588,811</u>	<u>(18,738,219,259)</u>	<u>63,393,369,552</u>

The Group has recognised deferred income tax assets relating to tax losses of VND6,962,565,555. The remaining losses of VND56,430,803,997 have not been recognised deferred income tax assets as the possibility that the subsidiaries with these losses have future taxable profit which cannot be presently assessed as probable.

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21 OWNERS' CAPITAL

(a) Number of shares

	Closing balance		Opening balance	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
Number of shares registered	77,794,453	-	77,794,453	-
Number of shares issued	77,794,453	-	77,794,453	-
Number of existing shares in circulation	<u>77,794,453</u>	<u>-</u>	<u>77,794,453</u>	<u>-</u>

(b) Details of owners' shareholding

	Closing balance		Opening balance	
	Ordinary shares	%	Ordinary shares	%
Thien Long An Think Investment Corporation	37,350,952	48.01	37,350,952	48.01
NWL Cayman Holdings Ltd.	5,500,000	7.07	5,500,000	7.07
Mr. Co Gia Tho	4,744,605	6.10	4,744,605	6.10
Other shareholders	<u>30,198,896</u>	<u>38.82</u>	<u>30,198,896</u>	<u>38.82</u>
Number of shares issued	<u>77,794,453</u>	<u>100</u>	<u>77,794,453</u>	<u>100</u>

(c) Movement of share capital

	Number of shares in circulation	Owners' capital VND	Treasury shares VND
As at 1 January 2021	<u>77,794,453</u>	<u>777,944,530,000</u>	-
As at 31 December 2021	<u>77,794,453</u>	<u>777,944,530,000</u>	-
As at 30 June 2022	<u>77,794,453</u>	<u>777,944,530,000</u>	-

Par value per share: VND10,000.

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22 MOVEMENTS IN OWNERS' EQUITY

	Owners' capital VND	Share premium VND	Investment and development fund VND	Foreign exchange difference VND	Undistributed earnings VND	Total VND
For the six-month period ended 30 June 2021						
Opening balance	777,944,530,000	361,633,483,771	199,910,168,556	92,630,401	408,678,823,562	1,748,259,636,290
Net profit for the period	-	-	-	-	176,011,576,497	176,011,576,497
Foreign exchange difference	-	-	-	(148,193,297)	-	(148,193,297)
Appropriation to investment and development fund	-	-	28,781,404,000	-	(28,781,404,000)	-
Appropriation to bonus and welfare fund	-	-	-	-	(23,984,503,675)	(23,984,503,675)
Bonus for exceeding the budgeted profit for the Board of Management and employees	-	-	-	-	(7,938,015,000)	(7,938,015,000)
Bonus for exceeding the budgeted profit for the Board of Directors	-	-	-	-	(1,984,504,000)	(1,984,504,000)
Remuneration for the Board of Directors and Board of Supervision	-	-	-	-	(4,663,001,596)	(4,663,001,596)
Closing balance	777,944,530,000	361,633,483,771	228,691,572,556	(55,562,896)	517,338,971,788	1,885,552,995,219
For the six-month period ended 30 June 2022						
Opening balance	777,944,530,000	361,633,483,771	228,691,572,556	(300,043,194)	457,608,904,144	1,825,578,447,277
Net profit for the period	-	-	-	-	300,166,146,904	300,166,146,904
Foreign exchange difference	-	-	-	1,392,346	-	1,392,346
Dividends declared from undistributed profit of 2021 (i)	-	-	-	-	(116,691,679,500)	(116,691,679,500)
Appropriation to investment and development fund (ii)	-	-	33,204,890,000	-	(33,204,890,000)	-
Appropriation to bonus and welfare fund (iii) (Note 25)	-	-	-	-	(27,670,741,000)	(27,670,741,000)
Remuneration for the Board of Directors and Board of Supervision (v)	-	-	-	-	(5,682,484,816)	(5,682,484,816)
Closing balance	777,944,530,000	361,633,483,771	261,896,462,556	(298,650,848)	574,525,255,732	1,975,701,081,211

22 MOVEMENTS IN OWNERS' EQUITY (continued)

Pursuant to the Resolution No. 01/2022/NQ-DHDCD dated 26 April 2022 of the 2022 Annual General Meeting of Shareholders, the General Meeting of Shareholders of the Company approved the distribution plan of net consolidated profits after tax for the years 2021 and 2022 as follows:

- (i) Cash dividends from the 2021 post-tax profits at the rate of 30% par value. For the first 6-month period, dividend was advanced at the rate of 15% par value.
- (ii) Appropriation to investment and development fund of VND33,204,890,000 (equivalent to 12% of post-tax profits);
- (iii) Appropriation to bonus and welfare fund of VND27,670,741,000 (equivalent to 10% of post-tax profits);
- (iv) Remuneration the Board of Directors and the Board of Supervision of VND10,000,000,000 in 2022. For the first 6-month period, remuneration was appropriated of VND5,682,484,816.

23 DIVIDENDS

Movements of dividend payables during the period are as follows:

	Current period VND	Previous period VND
Opening balance	38,938,653,000	77,805,618,500
Dividends payable during the period	116,691,679,500	-
Dividends paid in cash	(155,619,167,000)	(77,794,453,000)
Closing balance	<u>11,165,500</u>	<u>11,165,500</u>

24 BONUS AND WELFARE FUND

Movements of bonus and welfare fund during the period are as follows:

	Current period VND	Previous period VND
Opening balance	8,871,470,540	5,838,669,865
Appropriated (Note 22)	27,670,741,000	31,922,518,675
Utilised	(23,507,213,720)	(28,889,718,000)
Closing balance	<u>13,034,997,820</u>	<u>8,871,470,540</u>

25 EARNINGS PER SHARE**(a) Basic earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the bonus and welfare fund by the weighted average number of ordinary shares outstanding during the period, excluding ordinary shares repurchased by the Company and held as treasury shares. Details are as follows:

	Current period	Previous period
Net profit attributable to shareholders (VND)	300,166,146,904	176,011,576,497
Less amount appropriated to bonus and welfare fund (VND) (*)	(30,016,614,690)	(17,601,157,650)
	<u>270,149,532,214</u>	<u>158,410,418,847</u>
Weighted average number of ordinary shares in issue (shares)	77,794,453	77,794,453
Basic earnings per share (VND)	<u>3,473</u>	<u>2,036</u>

(*) Bonus and welfare fund had been appropriated at the estimated rate of 10% of consolidated profit after CIT in accordance with the Resolution No. 01/2022/NQ-DHDCD dated 26 April 2022 of the General Meeting of Shareholders.

(b) Diluted earnings per share

Diluted earnings per share is calculated by dividing the net profit attributable to shareholders, which already subtracted the bonus and welfare fund, by the weighted average number of ordinary shares outstanding during the period and the ordinary shares expected to be issued.

The Company did not have any ordinary shares potentially diluted during the period and up to the date of these interim consolidated financial statements.

26 OFF BALANCE SHEET ITEMS**(a) Foreign currencies**

As at end of period, included in cash and cash equivalents were balances held in foreign currencies as follows:

	Closing balance	Opening balance
United States Dollar ("USD")	6,848,699	2,515,919
Euro ("EUR")	61,619	45,197
Chinese Renminbi ("CNY")	14,971	14,971
British Pound ("GBP")	1,913	1,915
Singapore Dollar ("SGD")	99,393	118,885
Thai Baht ("THB")	7,680	7,680
Japanese Yen ("JPY")	2,497	2,497
Australian Dollar ("AUD")	110	110
Korean Won ("KRW")	336,000	336,000
Taiwanese Dollar ("TWD")	12,570	12,570

(b) Operating lease assets

The future minimum lease payments under non-cancellable operating leases were presented in Note 39.

27 WRITE-OFF OF DOUBTFUL DEBTS

	Closing balance		Opening balance	
	Amount VND	Reason for write-off	Amount VND	Reason for write-off
Thien Loc Trading Company Limited	219,103,729	Unrecoverable debts	219,103,729	Unrecoverable debts
Bach Ma Service - Trading Joint Stock Company	107,886,623	Unrecoverable debts	107,886,623	Unrecoverable debts
Company Limited Tran Hieu Nghia	3,999,428	Unrecoverable debts	3,999,428	Unrecoverable debts
Go May Bookstore Business Household	24,094,403	Unrecoverable debts	24,094,403	Unrecoverable debts
Nhan Van Vinh Truong Joint Stock Company	9,384,969	Unrecoverable debts	9,384,969	Unrecoverable debts
Phuc Nhan Bookstore Business Household	52,063,917	Unrecoverable debts	52,063,917	Unrecoverable debts
Branch of Thien Hop Cultural Service and Trading Company	54,842,961	Unrecoverable debts	54,842,961	Unrecoverable debts
Tan Mai Bookstore Business Household Vo Thanh Dao	194,567,441	Unrecoverable debts	194,567,441	Unrecoverable debts
Book Private Enterprise Nhan Tri	29,748,099	Unrecoverable debts	29,748,099	Unrecoverable debts
Hoa Mai Stationery Trading Company Limited	30,966,727	Unrecoverable debts	30,966,727	Unrecoverable debts
Thien An Printing Production Trading Service Company Limited	19,785,744	Unrecoverable debts	19,785,744	Unrecoverable debts
	34,991,387		34,991,387	
Pham Nguyen Co, Ltd.	50,462,208	Unrecoverable debts	50,462,208	
	<u>831,897,636</u>		<u>831,897,636</u>	

28 NET REVENUE FROM SALES OF GOODS AND RENDERING OF SERVICES

	Current period VND	Previous period VND
Revenue		
Revenue from sales of finished goods	1,446,391,208,703	1,115,695,200,401
Revenue from sales of merchandises	442,769,965,957	325,767,224,629
Revenue from rendering of services	52,681,546	160,477,249
	<u>1,889,213,856,206</u>	<u>1,441,622,902,279</u>
Sales deductions		
Finished good returns	(1,402,916,680)	(6,308,111,038)
Merchandise returns	(2,183,745,361)	(3,649,584,755)
Trade discounts	(4,080,455,339)	(3,348,967,134)
	<u>(7,667,117,380)</u>	<u>(13,306,662,927)</u>
Net revenue from sales of goods		
Net revenue from sales of finished goods	1,440,907,836,684	1,109,387,089,363
Net revenue from sales of merchandises	440,586,220,596	322,117,639,874
Net revenue from rendering of services	52,681,546	(3,188,489,885)
	<u>1,881,546,738,826</u>	<u>1,428,316,239,352</u>

29 COST OF GOODS SOLD AND SERVICES RENDERED

	Current period VND	Previous period VND
Cost of finished goods and merchandises sold	1,058,495,930,331	817,218,947,324
(Reversal of provision)/provision for decline in value of inventories (Note 9)	(866,819,004)	332,353,474
	<u>1,057,629,111,327</u>	<u>817,551,300,798</u>

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30 FINANCIAL INCOME

	Current period VND	Previous period VND
Interest income from deposits	10,369,179,884	12,520,342,785
Realised foreign exchange gains	9,498,162,651	2,541,164,916
Dividend income	217,500,000	142,500,000
Net gain from foreign currency translation at period-end	2,891,929,634	24,779,157
	<u>22,976,772,169</u>	<u>15,228,786,858</u>

31 FINANCIAL EXPENSES

	Current period VND	Previous period VND
Interest expense	4,000,627,131	3,603,506,160
Realised foreign exchange losses	1,546,977,584	816,068,132
Reversal of provision for diminution in value of investments	(102,144,000)	(4,679,120,000)
Others	698,869,413	1,175,301,612
	<u>6,144,330,128</u>	<u>915,755,904</u>

32 SELLING EXPENSES

	Current period VND	Previous period VND
Staff costs	161,964,308,578	133,418,652,506
Marketing and trade fair expenses	84,581,662,259	44,794,632,201
Depreciation	2,403,502,019	2,335,505,300
Others	66,106,973,137	75,860,711,024
	<u>315,056,445,993</u>	<u>256,409,501,031</u>

33 GENERAL AND ADMINISTRATION EXPENSES

	Current period VND	Previous period VND
Staff costs	109,125,886,936	96,141,430,498
Outside services expenses	26,905,573,555	27,765,110,613
Depreciation and amortisation	8,774,335,116	8,451,812,460
Others	7,069,254,543	16,836,698,028
	<u>151,875,050,150</u>	<u>149,195,051,599</u>

34 NET OTHER INCOME

	Current period VND	Previous period VND
Other income		
Indemnity for damaged goods	646,164,107	-
Net gains on disposal of fixed assets	6,413,780	402,630,357
Others	5,018,409,733	2,674,237,649
	<u>5,670,987,620</u>	<u>3,076,868,006</u>
Other expenses		
Others	1,312,057,546	389,474,621
	<u>1,312,057,546</u>	<u>389,474,621</u>
Net other income	<u>4,358,930,074</u>	<u>2,687,393,385</u>

35 CORPORATE INCOME TAX (“CIT”)

The CIT on the Group’s accounting profit before tax differs from the theoretical amount that would arise using the applicable tax rate of 20% as follows:

	Current period VND	Previous period VND
Net accounting profit before tax	378,177,503,471	222,160,810,263
Adjustment:		
Non-taxable income	(217,500,000)	(142,500,000)
Non-deductible expenses	3,649,456,492	2,797,175,357
Temporary differences for which no deferred income tax asset has been recognised	(103,390,201)	2,069,665,744
Tax losses for which no deferred income tax asset was recognised	7,615,918,681	2,100,399,178
	<u>389,121,988,443</u>	<u>228,985,550,542</u>
Tax calculated at a rate of 20%	77,824,397,689	45,797,110,108
Adjustment for under/(over) accrued CIT in previous years	186,958,878	352,123,658
CIT charge (*)	<u>78,011,356,567</u>	<u>46,149,233,766</u>
Charged to interim consolidated income statement:		
CIT – current	76,920,101,129	44,895,467,889
CIT – deferred (Note 20)	1,091,255,438	1,253,765,877
	<u>78,011,356,567</u>	<u>46,149,233,766</u>

(*) The current CIT charge for the period is based on estimated taxable income and is subject to review and possible adjustments by the tax authorities.

36 COSTS OF OPERATION BY FACTORS

Costs of operation by factor represents all costs incurred during the period from the Group's operating activities, excluding cost of merchandises for trading activities. Details are as follows:

	Current period VND	Previous period VND
Raw materials	608,329,516,914	447,611,198,318
Staff costs	392,328,956,839	338,809,731,720
Depreciation and amortisation	42,195,928,762	41,468,147,058
Outside service expenses	108,535,246,140	90,315,094,869
Others	110,120,712,111	105,222,761,099
	<u>1,261,510,360,766</u>	<u>1,023,426,933,064</u>

37 SEGMENT REPORTING

The Chief Executive Officer of the Group determines that the Chief Executive Officer's decisions of the Group are based primarily on the geographic areas in which the Group supplies products. As a result, the primary segment reporting of the Group is presented in respect of the Group's geographical segments.

	Current period VND	Previous period VND
Net revenue		
Net revenue from domestic sales	1,420,731,602,130	1,115,002,236,094
Net revenue from export sales	460,815,136,696	313,314,003,258
	<u>1,881,546,738,826</u>	<u>1,428,316,239,352</u>
Cost of goods sold		
Cost of goods sold - domestic	734,181,796,730	600,646,728,571
Cost of goods sold - export	323,447,314,597	216,904,572,227
	<u>1,057,629,111,327</u>	<u>817,551,300,798</u>
Gross profit from sales of goods		
Gross profit from sales of goods - domestic	686,549,805,400	514,355,507,523
Gross profit from sales of goods - export	137,367,822,099	96,409,431,031
	<u>823,917,627,499</u>	<u>610,764,938,554</u>

38 RELATED PARTY DISCLOSURES

The Group is controlled by Thien Long An Think Investment Corporation which owns 48.01% of the Group's share capital.

During the period, the Group has balances and transactions with a related party as follows:

Related party	Relationship
Thien Long An Think Investment Corporation	Major shareholder

Related party transactions

During the period, the following transactions were carried out with related parties:

	Current period VND	Previous period VND
i) Dividends declared		
Thien Long An Think Investment Corporation	<u>56,026,428,000</u>	<u>-</u>
ii) Compensation of key management		
Gross salaries and other benefits	<u>8,065,426,000</u>	<u>14,988,450,000</u>

39 COMMITMENTS UNDER OPERATING LEASES

The future minimum lease payments under non-cancellable operating leases were as follows:

	Closing balance VND	Opening balance VND
Within one year	23,781,689,696	27,617,936,529
Between one and five years	54,712,523,735	67,567,725,984
Total	<u>78,494,213,431</u>	<u>95,185,662,513</u>

40 EVENTS AFTER THE INTERIM CONSOLIDATED BALANCE SHEET DATE**(a) The merger plan of subsidiaries**

Pursuant to the Resolution No. 4/2022/NQ-HDQT dated 30 May 2022 of the Board of Directors, the Board of Directors approved the plan to merge its subsidiaries which are 100% charter capital owned by the Company, specifically, merging Tan Luc North Trading and Service One Member Company Limited and Tan Luc Middle Trading and Service One Member Company Limited into Thien Long Global Trading and Service One Member Company Limited.

Accordingly, from 1 July 2022 these subsidiaries have carried out the necessary procedures for the merger. On 5 July 2022, the Department of Planning and Investment of Ho Chi Minh City issued the 11th amended of Enterprise Registration Certificate to Thien Long Global Trading and Service One Member Company Limited with the charter capital of VND180,000,000,000.

(b) The increase of capital contribution to South Thien Long Manufacturing Trading Company Limited

Pursuant to the Resolution No. 5/2022/NQ-HDQT dated 19 August 2022 of the Board of Directors, the Board of Directors approved to contribute additional amount of VND50,000,000,000 to South Thien Long Manufacturing Trading Company Limited for the purpose of financing capital requirements to expand manufacturing projects and develop new products. Accordingly, the total value of capital contribution is VND650,000,000,000.

In addition, there are no other significant events occurs after the interim consolidated balance sheet date that require to be adjusted or disclosed in the interim consolidated financial statements for the six-month period ended 30 June 2022.

The interim consolidated financial statements were approved by the Chief Executive Officer on 26 August 2022.



Dao Xuan Nam
Preparer



Nguyen Ngoc Nhon
Chief Accountant



Tran Phuong Nga
Chief Executive Officer